

Minutes of Regular Meeting

**Board of Directors**

**San Jose Downtown Property Owners' Association**

December 16, 2008

A regular meeting of the Board of Directors of the San Jose Downtown Property Owners' Association, a non-profit California corporation, was held at the SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

Board members present: Hammers, Berg, Ryan, Ortbal, Munro, Mattson, Knox, Burnell and Utic.

Board Members absent: Isnard, Gallagher.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Operations Manager Eric Hon, and Tom Ferguson of the City's Department of Transportation.

Munro called the meeting to order at 8:35 a.m. He said Hammers was in traffic and would be a few minutes late. Munro welcomed Burnell to his first meeting and asked him to make a self-introduction.

**Minutes**

- The September 16, 2008 meeting minutes were emailed to the board and approved.

**President's Report**

- Munro led a discussion on the election of officers, the four officer positions – Hammers/President, Munro/Vice President, Knox/Treasurer, Mattson/Secretary – are elected by the board. The bylaws state the officers serve “at the pleasure of the board,” so all of the officers are eligible to be re-elected. Ortbal asked if there are currently any policies on the election of officers? Knies said a policy was distributed in October for the board members by the membership. A policy for the election of officers by the board can be incorporated. Munro asked staff to draft a brief policy for the February meeting. Current officers volunteered to continue in their positions and were unanimously re-elected.
- The board commenced a discussion on their impressions of the streetscape beautification demonstration project. Munro said the RDA provided positive feedback on the demonstration project.
- Mattson felt there were areas for improvement, specifically the size of the plants, which she suggested be bigger. She also would like to see more color in the next plantings. Other members agreed that there should be more color. Hammers asked when the next scheduled plantings were? Hon said the next planting is scheduled for February and should provide more color because the spring will yield a greater variety of available plants.
- Ryan said the fountain planter should be bigger. Hon mentioned that there are structural issues with the fountains that prevent installation of a larger planter. There is no data on the load capacity of the transit mall fountains.

- Berg suggested the demonstration project focus area should be on planters and flowers. The other elements have their place, but are costly. He prefers to focus on the plantings.
- Utic said the bamboo wall turned out really well. He added that any wilted plant should be removed and replanted immediately. Hon said the maintenance of the demonstration project is a priority that he is working on, which includes the replanting of plants.
- Ortbal said the plants looked better when they were installed, but feels staff did well in leveraging dollars. He's interested in seeing what other districts pay for similar projects.
- Zelalich asked the board for their impressions of Post Street? The board agreed that there's a different scale, but generally, Post Street looks good.
- Discussions on the demonstration project continued and the group agreed that there are some areas that need to be refined, but overall, they are pleased with the initial effort. The purpose of any demonstration project is to discover what works and what doesn't.
- Mattson added that public relations are a very important tool and the all the PBID efforts must be publicized. Munro agreed that the PBID must speak to its successes.
- Munro asked if there would be a follow up subcommittee meeting before the next board meeting? Knies said the subcommittee needs to review the draft "master plan" for additional PBID beautification projects from Ken Kay Associates (KKA) as well as consider adjustments to the demonstration project. There are still project funds that can be used to add planters, lights and additional plantings per the board's direction.

- Staff will coordinate the date, time and location of the next beautification subcommittee meeting.

#### Finance Committee report

- Hammers described the nature of the contract adjustment with SGI. A 3% wage increase was built into the contract with SGI because SGI is required to comply with the City's living and prevailing wages. SGI also wanted to make some additional adjustments to the contract, having adjusted some of their services mid year. SGI discovered that pressure washing has been the most effective method to clean and maintain the district.
- Ortbal asked if staff was able to find out what the PBID law says about shifting funds between programs? Zelalich consulted with several sources and confirmed that both PBID law and our Management Plan allow for service levels to be adjusted between approved categories. Most districts keep the adjustments from one program to another at around 10 percent annually.
- Ortbal cautioned against any increase over the proposed amounts. Knies said the proposed increase is a placeholder in the budget as a ceiling, and that SJDA staff continues to negotiate with SGI on their second year contract adjustment. Knox reported the Finance Committee met last week and reviewed the budget. The revisions are current forecasts and the budget will be brought back to the board at its next meeting once the SGI contract for year two is finalized.
- Knox reported that staff is requesting board approval for a line of credit and a credit card. Some items of the demonstration project needed to be paid with a credit card. The line of credit will only be used if needed. There's a potential need for the LOC because the SGI bills are paid quarterly to achieve a 2%

savings, however the assessment revenue is only received twice a year.

- Hammers said the LOC is only for backup and the 2% savings on quarterly SGI payments is a significant amount.
- The board approved the LOC and credit card, but directed staff to develop policies for their use, as well as general procurement policy.

#### Hwy 87 Clean up project update

- Two proposals have been submitted and Adopt-The-Highway's proposal was much more cost effective and allows for additional monthly debris removal. Adopt-The-Highway has had extensive experience working with CalTrans and is based in Sacramento and provided references from the Power Inn Alliance (Sacramento PBID) and the City of Monterey. They also have a current contract with CALTrans to work in South San Jose.
- Hon is checking the references and working with Adopt-The-Highway to obtain the work permits. Hon is also researching the work that is currently being done on some stretches of Hwy 87, specifically the Julian ramps and the 280/87 interchange. The PBID does not want to duplicate any services.
- The Hwy 87 cleanup is scheduled to begin in January 2009.

#### Operations Manager Report (included in board packet)

- Hon provided some background on the new Groundwerx Program Director, Tim Downs. Staff was included in the interviewing process, which originally began in late August. Downs has been with Groundwerx for one month and has identified some areas for immediate improvement. He specializes in process/operations improvement and change management.

- Much of the operations report was already covered throughout the course of the meeting. Hon summarized the items that were not previously discussed, such as the Groundwerx outreach efforts and the assisted arrest of two downtown graffiti vandals during the holiday parade.
- The board asked how are the cleaning and ambassador programs successes measured? Hon responded that the weekly statistics are used to gauge the programs. The cleaning is the easiest to assess, but the ambassadors are a bit trickier because this is an entirely new program. Knies added that a member's survey is being developed and will be provided to all the property owners around the end of January. This will provide additional insight as to the PBID's progress.
- Burnell engaged the board in a roundtable discussion on various aspects of downtown, from the garbage and recycling program to street maintenance and other "fringe" issues of the PBID.

Meeting adjourned at 10:40 a.m.